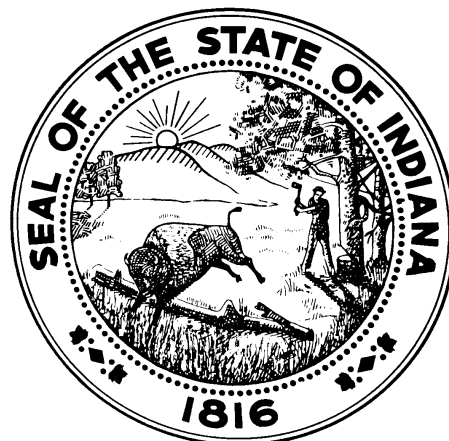


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

EXAMINATION REPORT
OF

STARKE COUNTY SOIL AND
WATER CONSERVATION DISTRICT
STARKE COUNTY, INDIANA

January 1, 2006 to December 31, 2007



FILED
07/02/2008

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OFFICIALS

Office

Official

Term

Treasurer

Larry Jernas

01-01-06 to 12-31-08

Chairman of the Board

Brad Lawrence
Phillip Brown

01-01-06 to 12-31-06
01-01-07 to 12-31-08



STATE OF INDIANA

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE STARKE COUNTY SOIL AND WATER
CONSERVATION DISTRICT, STARKE COUNTY, INDIANA

We have examined the financial information presented herein of the Starke County Soil and Water Conservation District (District), for the period of January 1, 2006 to December 31, 2007. The District's management is responsible for the financial information presented herein. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial information presented herein and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the financial information referred to above presents fairly, in all material respects, the financial information of the District for the years ended December 31, 2006 and 2007, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

April 17, 2008

STARKE COUNTY SOIL AND WATER CONSERVATION DISTRICT
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL FUND TYPES
As Of And For The Years Ended December 31, 2006 And 2007

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
General	<u>\$ 63,604</u>	<u>\$ 17,730</u>	<u>\$ 10,505</u>	<u>\$ 70,829</u>
	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
General	<u>\$ 70,829</u>	<u>\$ 16,333</u>	<u>\$ 9,509</u>	<u>\$ 77,653</u>

The accompanying notes are an integral part of the financial information.

STARKE COUNTY SOIL AND WATER CONSERVATION DISTRICT
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The District was established under the laws of the State of Indiana. The District provides the following services: public safety, health and social services, and general administrative services.

Note 2. Fund Accounting

The District uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the District to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

STARKE COUNTY SOIL AND WATER CONSERVATION DISTRICT
EXAMINATION RESULTS AND COMMENTS

SALES TAX

Purchases were observed for which sales tax was paid.

Governmental funds generally are exempt from the payment of sales tax on qualifying purchases. Respective tax agencies should always be contracted concerning tax exemptions and payments. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Page 10-14)

SUPPORTING DOCUMENTATION

Several payments were observed which were not supported by adequate documentation, such as receipts, invoices, and other public records. Due to the lack of supporting information, the validity and accountability for some money disbursed could not be established.

Supporting documentation such as receipts, cancelled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Page 10-10)

STARKE COUNTY SOIL AND WATER CONSERVATION DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on April 17, 2008, with Andrea Surma, District Coordinator. The official concurred with our findings.